



Greenfleet

Annual Review

2009



Welcome

Politics, financial hardship and regulatory uncertainty dominated the media and the carbon market in 2009. Greenfleet was not immune to the effects of these external factors, however Greenfleet and its passionate supporters continued with their commitment to avoid, reduce and offset greenhouse gas emissions. We remain, unashamedly, about creating a low carbon future for Australia.

After three years of substantial growth in offset sales, Greenfleet experienced a decline in both corporate and individual supporters in 2009, however overall offset sales in 2009 were on par with those in 2006 – a year which experienced a 53% growth on the previous year.

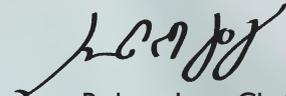
A slower sales year gave us the opportunity for 2009 to be a consolidation year for Greenfleet. Availability of land and suitable climatic conditions helped us plant more than 1.6 million trees in 2009, including around 220,000 trees which were replanted due to improved conditions in areas of previous losses. Nearly every site planted since 2005 has now been inspected under our much improved monitoring processes. Our Foresters have worked hard to ensure that we monitor and understand the status of Greenfleet's forests.

After reaching 4.7 million trees at the end of 2008, we rolled past another couple of substantial milestones in 2009, with our 5th and 6th millionth trees being planted during the year – although we are unable to identify the exact tree that became lucky 6 million, we know it was planted in September.

A new and improved website was launched in March, offering a wealth of hints and tips about avoiding and reducing greenhouse gas emissions – not just offsetting them.

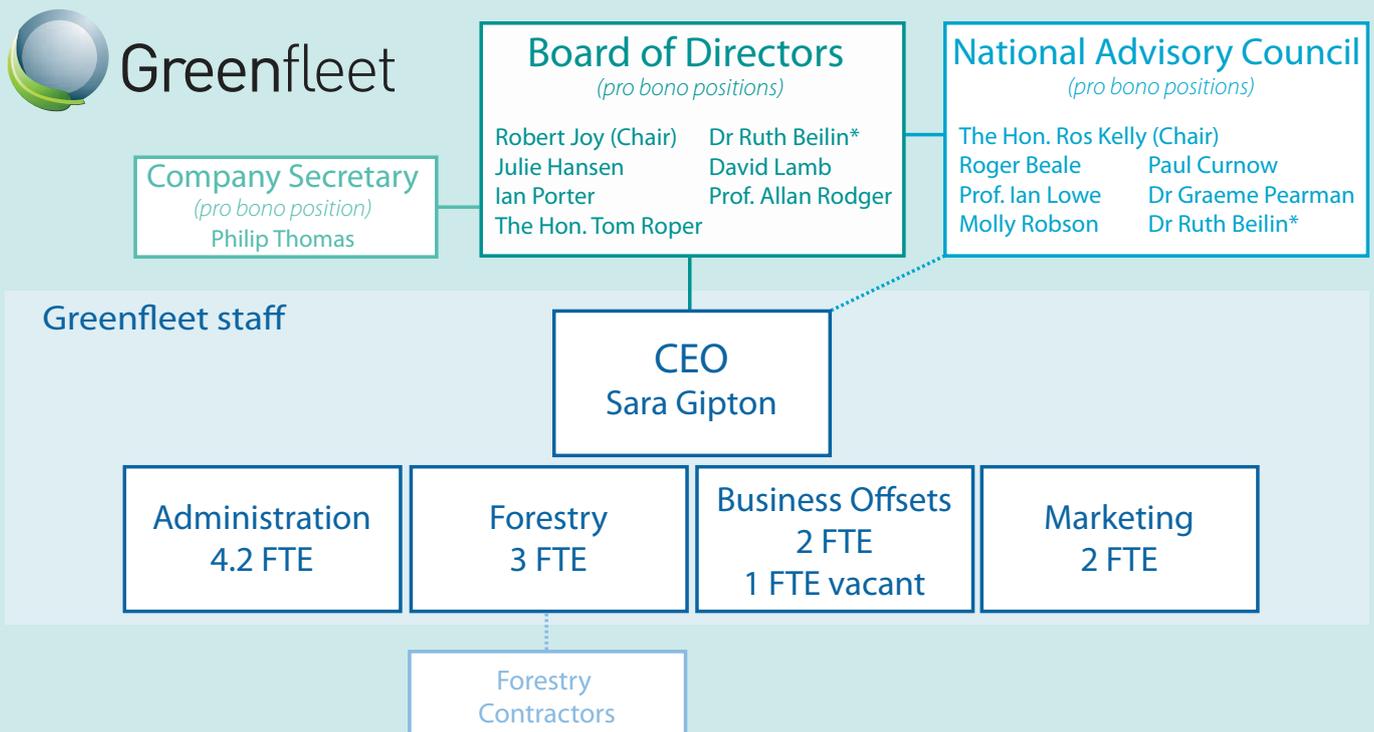
We also spent much time and energy liaising with Australian Government ministers and the Department of Climate Change to raise concerns regarding the cessation of the Greenhouse Friendly™ accreditation scheme without a replacement standard for forest sink projects, and to ensure that the form and shape of the CPRS Bill and subsequent regulations are supportive of biodiverse forests in the carbon market. We will continue these efforts in 2010.

Greenfleet will continue operating to the Greenhouse Friendly™ standard until a suitable replacement is implemented to ensure that Greenfleet's forests are recognised under credible standards. Our focus remains ensuring that we take action now that protects and enhances our environment's capacity to adjust and respond to climate change.



Robert Joy - Chairman

Our organisation



* Dr Ruth Beilin resigned from the Greenfleet Board in April 2009, immediately taking up a position on the National Advisory Council

Drive Days

Greenfleet delivered two corporate drive days in September 2009 as a practical demonstration of the Avoid, Reduce and Offset message. A group of Greenfleet supporters and LeasePlan customers were each given the opportunity to drive one of three efficient vehicles, learn efficient driving techniques from World Record holders - John and Helen Taylor, and see first-hand the benefits of planting trees for carbon capture at a Greenfleet planting site within Werribee Open Range Zoo. Using the techniques learned on the day, immediate fuel efficiency gains were made, with several participants immediately taking action to service and drive their own cars more efficiently.

Hyundai, Peugeot and Toyota all generously donated vehicles for us to test drive and we greatly appreciate this support.

We believe the drive days were a great success and Greenfleet intends to run similar events into the future.

Newsletters

We published three editions of Greenfleet News (available in hardcopy and online) and eleven editions of the online Transport e-news. These newsletters are designed to keep our supporters informed about Greenfleet activities, along with relevant news from other supporters, climate change science and observations, sustainable transport developments and more.

Website

March 2009 saw the culmination of almost 12 months' work behind the scenes to build a new Greenfleet website. Greenfleet's previous website focused almost entirely on the offset program and vehicle emissions, and was built on superseded technologies which hindered editing and updates.

A major focus of the website upgrade was to actively promote Greenfleet's Avoid, Reduce and Offset philosophy. The new website offers practical solutions for reducing greenhouse gas emissions at home, in business, travel and transport, while still encouraging people to offset emissions by planting biodiverse forest sinks to recapture emissions that cannot be eliminated entirely.

Technology upgrades have provided easier editing of the website and we will continue to regularly update the content.

Greenfleet also ventured into social media networks in 2009, developing facebook and twitter feeds to keep followers informed about relevant developments. These proved particularly useful to follow the developments of COP 15 in Copenhagen, with Greenfleet CEO, Sara Gipton, providing on the spot updates from across the other side of the world.

Avoid & reduce program

Earth Hour and the Future Spark Challenge

Greenfleet formally participated in Earth Hour in 2009 (although our offices never have the lights on over the weekend anyway), to help promote the benefits of reducing electricity consumption.

In addition to switching off the lights, we also helped to power the Earth Hour concert in Melbourne's Federation Square – by participating in and sponsoring the unique Future Spark Challenge. In the week leading up to Earth Hour in March, the Future Spark trailer hooked up 12 bicycles to custom-built generators and pitted corporate, community and school teams against one another to see who could generate the most electricity by riding a bicycle for one hour.

The result was the first human-powered concert – participants in the Future Spark Challenge generated 62.2kWh of electricity, with 44.6kWh used to power the concert and the remainder used to power the other restaurants and lighting at Federation Square.

Green Home & Motoring Index

Greenfleet supporters, AAMI, produced their first Green Home & Motoring Index in 2009, building on their Green Motoring Index in 2008. The Green Home & Motoring Index revealed the attitudes of 1,300 Australians towards taking action to reduce the environmental impact of their household and driving activities. Greenfleet contributed a selection of tips to reduce greenhouse gas emissions around the house to round out the research results.



Offset purchases

Following record years in 2007 and 2008, Greenfleet experienced a reduction in offset purchases by both individual and corporate supporters during 2009. However, Greenfleet's 2009 sales figures were in line with those of 2006, which were celebrated at the time.

The 'Global Financial Crisis' dominated the media, purchasing decisions within all sectors were affected and Greenfleet was not immune to this. As a discretionary spend, (purchases of offsets through Greenfleet are entirely voluntarily), a reduction in sales was not unexpected.

The 'GFC' did not act alone. A rapid increase in the number of carbon offset providers and uncertainty surrounding the proposed Carbon Pollution Reduction Scheme has meant that consumers are less certain about the right action to take. We continue to encourage people to take action to avoid, reduce and offset emissions now – rather than waiting for political solutions – as the climate will benefit from any action taken now, regardless of how political systems count things in the future.

Planting

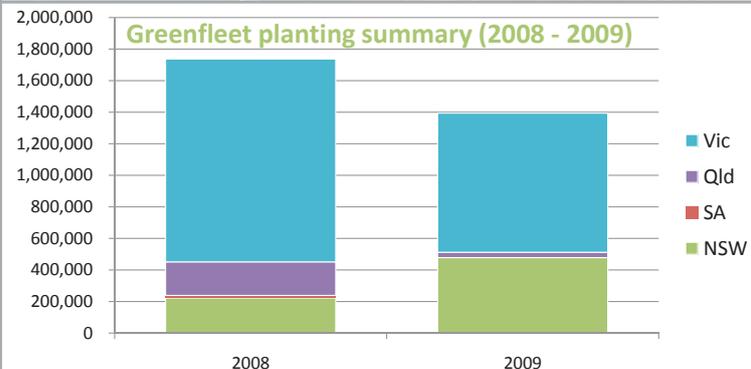
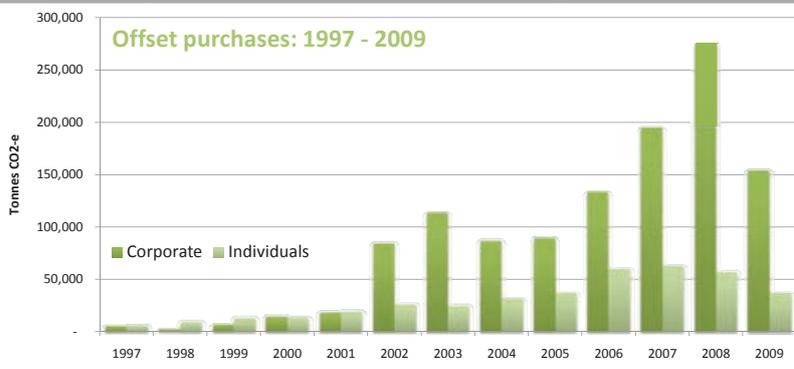
Greenfleet planted almost 1.4 million trees in new forests during 2009 – 1,393,000 to be precise. These trees represented a commitment to supporters for offsets purchased in 2008 and 2009.

Almost two thirds of these trees were planted within Victoria, one third in NSW and around 2% in Queensland. No trees were planted within South Australia or the ACT during 2009 due to land availability and conditions.

Forests were planted across 24 different sites using a combination of direct seeding and planting seedlings, with an average size of 57 hectares. A 425 hectare site near Nhill in Victoria was the largest single site, planted by direct seeding.

Greenfleet's forest estate is now in excess of six million (6,000,000) trees, with this milestone reached during September 2009

Cover image: Direct seeding visible from the air on a Greenfleet planting site near Wedderburn, Victoria.



Forest sink (offset) program

Monitoring and maintenance

Our primary aim is to grow forests that recapture enough carbon dioxide to meet our commitments to supporters, so Greenfleet assesses each site for its potential to establish a forest that will deliver projected yields. In some cases, although some trees may die, the growth rate and natural regeneration of the surviving forests will more than compensate for these losses.

In 2009, Greenfleet foresters inspected 1,500 hectares of forests across 123 sites. While we expect to over-deliver on carbon yields, we have decided to replant approximately 225 hectares to deliver other environmental benefits.

In addition to the new forests planted throughout 2009, more than 220,000 trees were replanted. Just over 133,000 trees were replanted in Victoria, with almost 85,000 in NSW and a further 3,200 in Queensland.

Conditions for these replanting projects were favourable in 2009 and preliminary survival checks show successful establishment of the forests.

A small proportion of our forests were affected by the Victorian bushfires early in 2009. Four sites, with a total area of 48 ha were affected by fire – less than 1% of Greenfleet's total forest estate. After assessments and monitoring throughout 2009, Greenfleet will replant approximately 20 ha of immature forest in 2010, while areas with more mature plantings have started to recover naturally and are expected to make a full recovery.



One year old forest - Jigsaw Farms

Biodiversity on a productive farm

Jigsaw Farms is a 4,900 hectare farm network north of Hamilton in western Victoria. Since purchasing Jigsaw Farms in 1996, owners Mark Wootton and Eve Kantor have set out to prove that productive farming and biodiversity do not need to be mutually exclusive.

They have now planted more than one million trees across the farm system, with a combination of commercial forests for harvest and biodiversity forests for habitat and carbon capture. Greenfleet is pleased to be part of the Jigsaw Farms revegetation program, planting 180,000 trees to recapture carbon dioxide on behalf of Greenfleet supporters.

From 2003 to 2006, Greenfleet undertook direct seeding projects at 10 individual farms within the Jigsaw Farms network, with some remedial seeding undertaken in 2007 and 2008 to replace losses at some sites.

In May 2009, we visited a number of the Greenfleet planting sites at Jigsaw to take photos and conduct survival checks. The older forests were well established with dense growth and trees towering over our small group of observers. The site replanted in 2008 demonstrated a promising start, with good survival rates and trees standing between one and two metres tall.

More than 25% of Jigsaw Farms is now planted with forests or developed as wetlands. These areas were the least productive and degraded soils on the farm, so this action has not diminished production – in fact the production of the remaining 75% now exceeds that of the ‘before new forests’ farm.

An ornithological assessment of the site in 1998 revealed 29 different bird species, while the repeat survey in 2008 detected more than 130 species – showing the benefits to biodiversity. But the benefits to livestock are just as pronounced – a 100 millimetre summer deluge in 2006 threatened the lives of thousands of young and freshly shorn sheep, but the animals were saved by moving them to revegetated areas for protection.

Jigsaw Farms is a fantastic example of sustainable farming practices, proving that carbon capture and biodiversity strategies do not have to be at the expense of on-farm production. Not only does the revegetation of Jigsaw Farms improve habitat for wildlife, the productive areas of the farm will now be more resilient and less exposed to climate variables.

Mark Wootton is proud of the achievements at Jigsaw Farms, “While the premium attached to selling in the carbon market is an incentive, the main gain for us is that we are reducing our carbon footprint while remaining commercially focused. Our farms show that it doesn’t have to be a choice between food and forests – with well planned farms we can have both.”

Case study - Jigsaw Farms, VIC

Species planted

While each individual site at Jigsaw Farms is a little bit different, here are a some of the species planted:

<i>Acacia mearnsii</i>	Black Wattle
<i>Acacia pycnantha</i>	Golden Wattle
<i>Acacia paradoxa</i>	Hedge Wattle
<i>Acacia retinodes</i>	Wirilda
<i>Acacia verniciflua</i>	Varnish Wattle
<i>Allocasuarina verticillata</i>	Drooping Sheoak
<i>Allocasuarina muellerana</i>	Slaty Sheoak
<i>Banksia marginata</i>	Silver Banksia
<i>Bursaria spinosa</i>	Sweet Bursaria
<i>Eucalyptus baxteri</i>	Brown Stringybark
<i>Eucalyptus camaldulensis</i>	River Red Gum
<i>Eucalyptus melliodora</i>	Yellow box
<i>Eucalyptus leucoxydon</i>	Yellow Gum
<i>Eucalyptus ovata</i>	Swamp Gum
<i>Eucalyptus viminalis (spp cygnetensis)</i>	Manna Gum
<i>Leptospermum obovatum</i>	River Tea Tree
<i>Melaleuca decussata</i>	Cross leaf Honey Myrtle



Four year old forest - Jigsaw Farms

Contributing to government policy

Greenfleet participated in and / or made formal submissions the following government consultation processes during 2009:

- National Carbon Offset Standard
- Senate Inquiry into the exposure drafts of the legislation to implement the CPRS
- Proposed CRPS Bill
- Draft CPRS Forestry Regulations
- Victorian Climate Change Green Paper

In addition to participating in formal consultation processes, Greenfleet's CEO Sara Gipton engaged directly with staff from the Department of Climate Change and politicians regarding the dismantling of Greenhouse Friendly™.

Greenfleet was extremely disappointed with a low-key announcement in February 2009, that Greenhouse Friendly™ would be discontinued from 30 June 2010. As you know, Greenfleet invested considerable time, resources and budget into gaining approval under this scheme during 2007, announcing that we had gained approval in early 2008.

Sara has been lobbying on Greenfleet's behalf alone and together with like organisations and our supporters affected by cessation of the scheme, to ensure a suitable regulatory framework is put in place to replace Greenhouse Friendly™ and maintain consumer confidence in our offset program.

Until a suitable replacement program is implemented, Greenfleet will continue to operate to the Greenhouse Friendly™ standard, which is widely recognised as being robust and credible.

Professional associations

Greenfleet as an organisation and individual staff members participate in the following professional associations:

- Australasian Fleet Managers Association (AfMA)
- Australian Institute of Company Directors
- Carbon Innovators Network
- Carbon Markets and Investors Association (CMIA)
- Committee for Melbourne
- Energy Institute of Australia
- Environment Business Australia (EBA)
- Institute of Chartered Accountants
- Institute of Foresters of Australia (IFA)
- Models of Success and Sustainability (MOSS)
- The Alliance for Clean and Efficient Energy (ACE2)
- The Copenhagen Communiqué – signatory
- Voluntary Carbon Markets Association (VCMA)

Professional development

To ensure that staff remain leaders in their fields, Greenfleet staff undertook training and development in the following areas in 2009:

- Software solutions: ACT, Excel (Level 2 & 3), MYOB
- Carbon market briefings & updates (Baker & McKenzie)
- Climate change briefings (Arthur Allens Robinson)
- Online fundraising
- Sampling & measurement for carbon sequestration projects
- Sustainability Leadership Program (University of Cambridge)
- Graduate Certificate in Sustainable Practice
- Technical accounting briefings (Pitcher Partners)

Industry development

Developing sustainable generations

Greenfleet hosted four university students for internships in 2009. Students came to us from Monash, RMIT, Melbourne and La Trobe Universities, studying in fields such as natural resource management and international relations. Projects completed included an evaluation of current standards and regulations around the world for forest sink projects and reports demonstrating the benefits of Greenfleet contributions to major corporate supporters. The internships helped to develop workplace skills for the students and increase workload capacity within the Greenfleet offices.

For the second consecutive year, Greenfleet sponsored the prize for the top student in Corporate Environmental Responsibility within Monash University's Department of Business Law and Taxation. The 2009 winner of this award went on to complete one of the student internships with Greenfleet.

Greenfleet also sponsored a prize for the top student project within the Business Management in a Carbon Constrained World unit of the University of Queensland's SMART program. We also conducted field trips for

students in the School of Integrative Systems and are investigating student research projects.

Since July 2009, Greenfleet has been providing office space at no cost to the Victorian branch of the Australian Youth Climate Coalition (AYCC). The three founders of the AYCC won the Prime Minister's Young Environmentalist of the Year Award at the 2009 Banksia Awards. In their acceptance speech they put out a plea for office space as they were unable to remain in their current location. Greenfleet CEO, Sara Gipton heard their plea and realised that four spare desks in the Greenfleet office could be well used by the AYCC. The AYCC is working to activate Australia's youth, who will be most impacted by the effects of climate change, and talking to governments on their behalf.

Greenfleet CEO, Sara Gipton, is also a member of the RMIT Environment Program Advisory Council, which meets two to three times per year and aims to provide direction for the further development and expansion of the program.

Sara is also a member of the Climate Institute's Strategic Advisory Committee.



Industry events

Greenfleet staff attended and / or presented materials at the following industry events:

- One Million Women
- Australian Mutuals Institute & Melbourne Forum – joint briefing on the CPRS
- Bevington Group – Change Network
- Carbon Market Expo Australasia
- Carbon Markets & Climate Change briefings & webinars (Baker & McKenzie)
- Civil Contractors Federation National Conference
- Climate Institute
- Conference of the Parties (COP)15 – Copenhagen
- Deakin University Business School
- Defining the future of voluntary carbon action
- Department of Transport (Vic)
- Electric Vehicle Show & Tell
- GAMUT rail transport seminar
- Green Marketing forum and workshop
- Hyundai Corporation
- LeasePlan client updates
- License to operate – Trust, CSR and green marketing
- Local Government Sustainable Development
- mecu Community Sector Breakfast
- Meet the policy drivers
- NSW & Qld emissions trading seminars (AfMA)
- Oxfam Climate Forum
- Sustainable Cities, Sustainable Transport Forum
- Sustainable Supply Chain Forum
- The disappearing path to Carbon Neutrality
- Mock Conference of the Parties (UNAA Vic)

Educating industry and raising awareness

Breakfast seminar

Almost 80 Greenfleet supporters from around Melbourne attended a special breakfast seminar in March 2009.

Telstra's Turlough Guerin opened the event by sharing some insights from Telstra's program to reduce fleet emissions, Baker & McKenzie's Paul Curnow then shed some light on the proposed Carbon Pollution Reduction Scheme legislation and what it might all mean for Greenfleet and our supporters,

Greenfleet Board Member and CSIRO Chief Advisor on automotive technology and strategy, David Lamb presented some thought-provoking images around existing transport issues, emissions trends and the challenge ahead.

The morning finished with a summary of the year just past (2008) and the year ahead (2009), from Greenfleet CEO, Sara Gipton.

In addition to reinvigorating the passion of the participants to implement greenhouse gas reduction strategies within their own organisations, the event provided an opportunity for Greenfleet supporters from many industries to share ideas and learn from the experiences of others.

Reducing carbon emissions - webinar

In July 2009 more than 150 people joined Greenfleet CEO, Sara Gipton and AAMI's Annabelle Butler via webinar to learn about reducing carbon emissions.

By sharing Greenfleet and AAMI's experiences with webinar participants, Sara and Annabelle explained why it is important for organisations to take action to reduce carbon footprints and how to go about doing this.

We'd like to acknowledge Intercall Australia for providing their Meeting Centre webinar technology to allow us to share our experiences without requiring participants to physically congregate in one location.

By delivering the session via webinar we were able to practically demonstrate how to reduce the carbon emissions usually associated with large industry events, while the participants saved the time associated with travel, making their own operations more efficient.

We'd also like to thank Annabelle Butler for generously donating her time and sharing valuable learnings from the AAMI sustainability journey, to help other businesses in their own journeys.

The media covered plenty of 'bad news' about climate change in 2009 – including the delayed start date and failure for the Senate to pass Carbon Pollution Reduction Scheme legislation; impacts of the Global Financial Crisis on the ability to fund emissions reductions and offset programs; and the lack of a binding agreement in Copenhagen.

Despite the doom and gloom, Greenfleet and a number of our supporters were able to generate positive stories telling the community about our actions to recapture greenhouse gases and revegetate the Australian landscape. Here are some of the media who helped us spread the message:

Print media

- Herald Sun
- Hobart Mercury
- Queensland Times
- Sunday Mail
- The Age
- The Australian

Many local papers covered planting events and vehicle efficiency stories, including:

- Ballarat Courier
- Border Watch
- Cairns Post
- Central Coast Advocate
- Daily Examiner (Clarence Valley)
- Gold Coast Bulletin & Sun
- Ipswich News
- Newcastle Herald
- North West Advocate
- Northern District Times
- Penola Pennant
- Portland Observer
- Rouse Hill Times
- Sunshine Coast Daily
- various suburban Leader papers

Online media

- Asia Travel Tips
- Australia Resort Map
- Bear Market Investments
- Body Shop Blog
- Brisbane Times
- Cairns Family Holiday Blogspot
- Car Rentals (UK)
- Eco Info Online
- Electric.co.uk
- Enviweb (NZ)
- e-travel blackboard
- Ferret.com.au
- Gulf News
- Independent Aviation
- Infolink
- Island Press Blog
- news.com.au
- Permaculture Power (blog)
- Quicksilver Group
- RallySport Mag
- The Green Blog
- The National Business Review
- The Renewable Energy Site
- Travel Daily Tips

Industry media

- Australian Auto Action
- Australian Bookseller & Publisher
- Australian & NZ Grapegrower and Winemaker
- Business Connect
- Contractor
- Earthmover and Civil Contractor
- Factory Equipment News (FEN)
- Government News
- Men's Style
- Mining Chronicle
- Oil & Gas Australia
- Post Script
- ProPrint
- Residential Developer Magazine
- The Oil Drum

We'd like to thank all Greenfleet supporters who promoted their actions within their own communities and media. Together we can make a real difference.

Media & Promotions

Greenfleet has long relied on the strength of our industry relationships and word-of-mouth as a means to spreading the word and encouraging new supporters. Due to the ever-increasing carbon market and expansion of 'green' marketing in general, Greenfleet decided to pay for some strategic advertising in 2009 (and continuing into 2010) to ensure it was not drowned out in the media.

While our aim is still to ensure the best possible value-for-money offset program, we believe it is also important that we maintain a strong and recognisable brand in the marketplace.

Our approach to advertising is not a commercial 'hard sell', it is more to develop brand awareness and act as reminder that Greenfleet is a long-term provider of offsets and a source of credible information to drive personal and workplace actions to reduce the impact of climate change.

To maximise exposure and reinforce our messages, Greenfleet seeks editorial coverage in conjunction with advertising or a combination of online and print advertising. We also seek out free online directory listings and advertisements.

Media	Paid?	Print Ad	Editorial	Online Ad
AustConserv				●
Brandoscope				●
Carbon Down (VECCI)				●
Carbon Market				●
dlook				●
ECOS (CSIRO)	●	●		●
FilmINK	●	●		
G Magazine	●	●		
G Magazine – The Green Book	●	●		●
Greenpages	●	●		●
Homestead Magazine (SE Queensland)	●	●	●	
hotfrog				●
Only Melbourne				●
Our Community				●
Queensland Mining and Energy Bulletin	●	●	●	●
Remember Me				●
Sanctuary magazine	●	●		
The Green Directory				●
White Pages				●

Actions speak louder than words...

We know it's important that, as environmental advocates, we are actually doing what we tell others to do. Here are some of the things we do to minimise Greenfleet's greenhouse gas emissions:

TRANSPORT

- While the Greenfleet office is located in central Melbourne, four (of 12) staff work from home from their regional Victoria locations. This not only reduces the travel footprint of the organisation, it means we can access talent from different areas without forcing people to travel long distances or relocate. Another six Melbourne-based staff have the ability to work remotely as needed.
- The location of the Melbourne office was selected due to its proximity to public transport – Southern Cross Station is just one block away and a selection of tram routes are within easy walking distance.
- Public transport tickets are included in salary packages for Melbourne-based staff to discourage driving to the office and meetings, unless absolutely necessary.
- Storage, shower and change facilities have been arranged for staff who cycle to work.
- Electronic systems (telephone, email, web-conferencing, etc.) are favoured over physical travel where possible. Intercall Australia have developed a Greenfleet branded online Meeting Centre to reduce business travel and generously allow our staff to use it free of charge.
- When interstate travel is required, Greenfleet staff try to organise several meetings in similar locations to minimise the impact of getting there and back.

OFFICE

- The Melbourne office has been 'delamped' – every second fluorescent tube has been removed from the overhead lighting system, without impact on staff amenity.
- 100% accredited GreenPower is purchased.
- Office thermostats are adjusted in summer and winter to reflect the change in outside temperatures.
- Shower, change and storage facilities are available to encourage cycling to work.

FORESTRY

- Local contractors are used for planting activities, seed collection and growing seedlings wherever possible. Again this serves a dual purpose of reducing travel emissions and also accessing relevant local expertise
- Fertilisers are not used in Greenfleet tree planting operations; this ensures that no nitrous oxide (one of the six Kyoto-recognised greenhouse gases) is released from revegetation works.
- All offset estimates quoted by Greenfleet are based on net abatement.

This independently verified* approach shows that Greenfleet's own carbon emissions are less than 1% of all carbon captured by the forests.

*Verified during Greenfleet's application to become a Greenhouse Friendly™ Approved Abatement Provider in 2007/08.

Greenfleet's emissions

Emission source	2008 emissions (t CO ₂ -e)	2009 emissions (t CO ₂ -e)	Notes
Greenfleet vehicles	40.7	32.9	
Utilities	25.7	62.3	2009 figure includes 44.0 t CO ₂ -e from gas and electricity within shared office spaces, this information was not available for 2008
Flights	31.7	19.7	
Waste	4.0	3.3	
Paper consumption	1.8	1.9	
Water use	0.1	0.4	
Taxi use	0.8	0.5	
Public transport	-	0.8	Staff travel to / from work, not measured in 2008
Private vehicles	13.7	1.8	Use of personal vehicles for travel to / from work
Forest sink program	128.4	128.4	Includes paper use, waste, seed propagation, site preparation, replanting provisions, staff & contractor travel, and monitoring.
Total emissions	246.8	252.1	
Emissions / ha	0.14	0.16	Total emissions generated per hectare of forest planted
Offsets	296.2	302.5	Accredited GreenPower (100%) for office electricity use; future offsets via Greenfleet forest sink program
Net emissions	- 49.4	-50.4	Greenfleet offsets 120% of calculated emissions

NOTES: Items in blue text are derived from estimates made by **ecovantage** during Greenfleet's Greenhouse Friendly™ application. The above data is a summary of Greenfleet's 2008 and 2009 carbon inventory assessments which have been independently reviewed by **ecovantage**. (Independent assurance statement attached.)

Financial performance

Greenfleet's financial year operates from 1 January to 31 December each year. The following information summarises financial performance for the past two years. Greenfleet's 2009 Financial Report. was audited by Pitcher Partners.

Income	2008 \$	2009 \$
Program revenue	3,108,636	2,264,269
Other revenue	425,151	173,560
<i>Total revenue</i>	<i>3,533,787</i>	<i>2,437,829</i>
Expenses		
Program expenses	2,062,690	2,241,971
Administration expenses	794,677	805,494
Marketing expenses	54,170	34,794
Occupancy expenses	70,529	84,829
Other expenses	250,672	180,174
<i>Total expenses</i>	<i>3,232,738</i>	<i>3,347,262</i>
Operating Surplus / (Deficit)	301,049	(909,433)

Financial Position (as at 31 December 2009)		
Tree provisions (liability)	1,236,796	442,811
Total Cash Balance	2,463,727	1,046,543

Fundraising summary	2008		2009	
	\$	%	\$	%
Total costs of fundraising	313,562	10	221,126	9
Gross income from fundraising	3,288,878		2,437,829	

Finances

Closing the gap

In 2009 Greenfleet closed the gap between the quantity of offsets purchased by supporters and the establishment of forests to capture an equivalent amount of carbon.

This resulted in an operational deficit and reduction in cash assets for the organisation, as well as a corresponding reduction in the financial liabilities - as seen in the tables above.

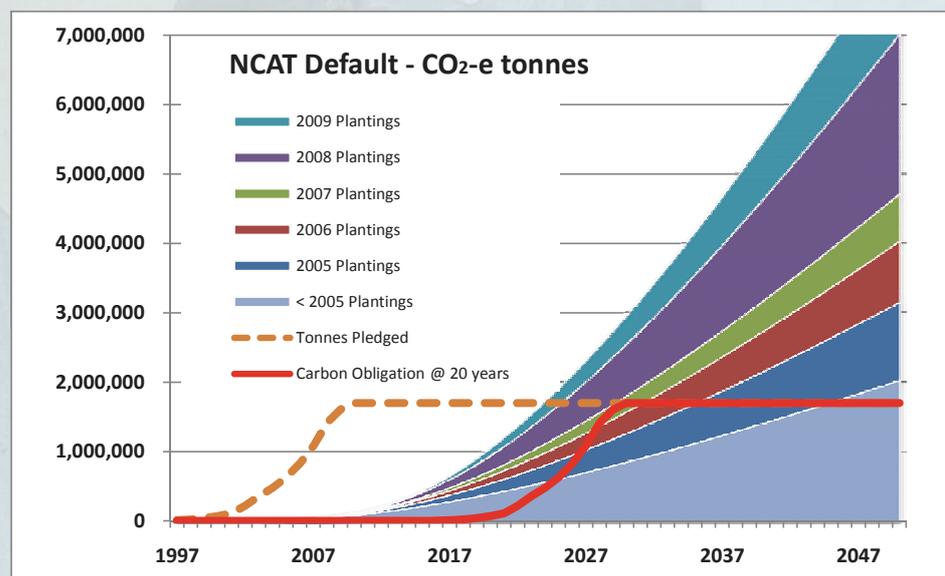
Trees vs carbon

Greenfleet plants native trees to establish self-sustaining carbon forests. While we refer to numbers of trees to help people understand how it works, ultimately it is the carbon commitment that is important.

We manage the carbon commitment to our supporters across all of the forests we create.

This graph shows projected carbon yields for Greenfleet forests. The red line shows our carbon commitment to supporters, while the coloured areas show the projected carbon store at any given time.

Based on National Carbon Accounting Toolbox default values, this model shows that our forests are expected to exceed our carbon commitments.



We'd like to thank the following organisations for supporting Greenfleet in a number of different ways. The generosity of these organisations helps Greenfleet spread the message about avoiding and reducing greenhouse gas emissions and also to provide our biodiverse forest offsets at reasonable rates.

Foundation Sponsor



Provision of 4x4 vehicle for forestry program, Toyota Prius for marketing activities and Board Room for key Greenfleet meetings

Sponsors



308 HDi vehicle



i30 diesel wagon



Newsletter printing

Professional Support

Freehills

Pro bono general governance advice and assistance, fee for service on specific issues.

Baker & McKenzie

Reduced rates for work related to Greenhouse Friendly™ program, fee for service on other issues.

Sustainable Solutions

Pro bono technical advice on Greenfleet emissions calculators.

Pitcher Partners

Fee for service auditing and tax advice - NFP rates. Pro bono access to technical industry seminars.

Ferguson Plarre Bakehouses

Donation of catering at several Greenfleet events throughout 2009.

GHD

Fee for service forest sink program verification / audit services.

Europcar

Provision of hire vehicles at no cost to Greenfleet staff when interstate.

Wilson Parking

Provision of secure vehicle parking at no cost to support Drive Day events.

Thank you

Offset supporters

Thank you to our diverse group of supporters – from individuals to small businesses, large corporations, local councils, state and federal government departments – together your efforts to Avoid, Reduce and Offset emissions are helping to tackle the effects of climate change and restoring Australia's native forests.

The following organisations were the largest contributors to our offset program in 2009:



Independent assurance statement

Review of Greenfleet Pty Ltd 2009 Carbon Inventory Assessment

ecovantage Pty Ltd have been engaged by Greenfleet Pty Ltd to conduct an independent review of the methodology and calculations of the organisation's 2009 Carbon Inventory Assessment which provides the information required for their greenhouse gas emission reporting process.

This is confirmed through verification of the underlying systems, processes and competencies that support the production of the Carbon Inventories.

The following methodology was applied by ecovantage:

- A review of the following documents;
 - o Greenfleet - Carbon Inventory 2009 (pdf)
 - o Greenfleet - Emissions 2009 (excel doc)
- Testing of calculations, results and methodology using ecovantage's calculators.
- Submission to GreenFleet of a report outlining findings and recommendations.
- Provision of a written assurance statement.

Based on the review, the following summarises the assurance provider's opinion:

- The findings of the review process provide confidence in the information provided in the 2009 Carbon Inventory Assessment completed by Greenfleet.
- The level of calculation accuracy was found to be high – calculations were compared against ecovantage's own greenhouse gas accounting tool.
- The assessments were observed to be complete within the scope defined.
- Personnel responsible were able to demonstrate a good level of understanding of the principles and application of greenhouse gas emission accounting.
- The assessments appeared consistent with national and international carbon accounting principles.

ecovantage has confidence in the calculations and methodology of the 2009 Carbon Inventory Assessment as a complete, transparent, consistent, relevant and accurate account of the Greenhouse Gas Emissions associated with Greenfleet's operations.

ecovantage has provided a summary of the review to Greenfleet outlining the findings of the review.

On behalf of ecovantage.

Bruce Easton
CEO
ecovantage